

APPENDIX 9

Child Welfare Service Budget Study

The California Budget Process

California has adopted a state-administered, county-operated system for the delivery of its child welfare services programs. Under this service delivery strategy, fiscal support to administer the county managed programs is provided through a combination of federal, state and county funding sources and budget mechanisms. Fundamental to this strategy is the fiscal concept that the counties shall share the costs of such support by providing matching funds, up to the level of county approved allocation, for county-operated social service programs. (Welfare and Institutions Code Section 10100.) At the State level the California Department of Social Services is the single State agency that is responsible for administering the counties in their delivery of child welfare services at the local level.

The California state budget process is similar to the Federal budget process. The State Constitution requires the State budget to be enacted annually by June 15, although this seldom happens. The State budget year runs from July 1 through the following June 30, thus the State's fiscal year is not within the same timeframe as the Federal Fiscal Year. The Department of Finance, working on behalf of the Governor, prepares the State budget in the late fall and formally submits it to the Legislature in January. For child protection programs, the data contained in the Governor's budget is current, based on the most recent caseload data, usually through August of the previous fiscal year. The Governor's budget is then formally introduced in the Legislature in the form of a bill. The introduction of the Governor's budget bill alternates annually between the Senate and the Assembly. At the same time, the opposition party in the chamber in which the Governor's bill was not introduced introduces a budget bill. Because of the complexity of the State budget, it is not unusual; for several; budget bills to be introduced, dealing with the various state agencies and programs. In May the Governor introduces a revised budget, called the "May Revise" which updates the January budget based on more recent trends and projections.

The Assembly Ways and Means Committee and the Senate Budget and Fiscal Review Committee each form subcommittees that hold hearings on various positions of the budget bill. The subcommittees then make recommendations on each aspect of the budget to the full committee in each chamber. Each full committee then adopts a budget and sends it to the floor of the respective chamber for consideration and a vote. The Assembly and the Senate each adopt a budget and the adopted budget then is sent to a joint Assembly-Senate Conference Committee, made up of the chairs of the Senate and Assembly Budget Committees and ranking committee members from each party. The Speaker of the Assembly and the President Pro Tem of the Senate designate who will sit on the Conference Committee. Once the Conference Committee has reached a compromise on the two versions of the budget bill, the compromise bill is then returned to the floor of the Senate and Assembly for action. Each chamber then passes the compromise budget bill and is then sent to the Governor for approval.

The Governor can approve all or parts of the budget but if the Governor vetoes parts of the bill it can be returned to the legislature and the Governor's veto can be

overridden by a two-thirds majority vote of each House. During the legislative process, individual bills may be introduced dealing with policy changes to the fiscal policy contained in the budget bill. These bills are collectively referred to as “trailer bills.” In order to affect a policy contained in the budget bill, procedurally the trailer bill must be heard in the committee that has jurisdiction over the issue. Often the bills that affect policy are enacted a trailer legislation.

The California counties fiscal year is the same as the state’s—from July 1 through June 30 annually. At the county level the various county departments submit their budget for the following fiscal year to the Chief Administrative Officer (CAO). Staff in the CAO’s Office analyze the budget and work with the individual county departments to question and refine the budget request. The goal is to reach consensus between what the CAO will recommend to the Board of Supervisors on the individual department’s budget as part of the total County budget. The CAO then presents the County budget to the Board of Supervisors and the Board of Supervisors holds budget hearings on the County budget, at the time interested parties have an opportunity to comment on the proposed budget. Following budget deliberations, the Board of Supervisors is required to adopt a proposed County budget within the timeframe required in the County Charter, by June 30 annually. Because the County budget relies heavily on state funding, the final County budget may not be adopted until after the state budget has been adopted in order for local officials to know what funding the state has adopted for local program financing. Political negotiating often delays the adoption of the State budget thereby impacting the adoption of the County budget.

The local county budget process varies depending on the size and complexity of the county. In some counties the local budget development timelines closely parallel the State budget development process while the process in other counties trails the state budget development. Depending on the county budget cycle and the size of the programs, the process of gathering estimates for the State budget for CWS are either predictive or redundant.

Federal funding sources for the CWS basic costs are Title IV-E, Title IV-A (TANF), Title IV-B, and Title XIX of the Social Security Act. The primary Federal source of funding is Title IV-E. While counties are the recipients of Federal funding under these titles the California Department of Social Services (CDSS) is responsible for the submission of subvention claims and for passing federal fund reimbursements back to the counties. In order to obtain State spending authorization for CWS basic costs, counties are required to annually develop specific budget information, in formats prescribed by the State and to fully expend county matching CWS funding.

APPENDIX TABLES – CHILD WELFARE SERVICES¹

¹ Note: Totals in all tables may vary slightly because of rounding.

Table 1.

**SUMMARY OF FY 99/00 CHILD WELFARE
BASIC BUDGET**

(\$ in millions)

	Funding Source			Total
	Federal	State	County	
PCAB Basic Cost Element				
Basic	\$457	\$323	\$155	\$936
SCIAP		6		6
Teen Pregnancy Disincentive	2	1	1	4
Adoption Initiative Savings	-6	-6	-3	-16
CWS/CMS System Spt. Staff	8	6	3	17
CWS/CMS Staff Development	5	2	1	8
CWS/CMS Maint. & Operation	12	8	3	23
Basic Cost Total	\$477	\$340	\$160	\$978

Table 2.

**SUMMARY OF FY 99/00 CHILD WELFARE BASIC COST
BUDGET DEVELOPMENT**

(\$ in millions)

Individual County SW unit cost	742
Direct Programs (includes SCIAP, Teen Preg. Disincentive, Adoption Initiative Savings, CWS/CMS system support staff, staff development and maint. & operating cost)	73
County Operated Emergency Shelter Costs (ESC)	37
Emergency Assistance for ESC over 30 days	11
Emergency Workload Relief	68
	\$931

Table 3.

FY 99/00 CHILD WELFARE BASIC COST BUDGET BY SERVICE REQUIREMENT

(\$ in millions)

	Total	%	Justified FTE	Estimated Cases
Service Requirement				
Emergency Response (ER)	\$335	35%	2669	42,170
Family Maintenance (FM)	118	12%	915	32,025
Family Reunification (FR)	153	16%	1220	32,940
Permanent Placement (PP)	147	15%	1144	61,776
Emergency Assistance Program	212	22%	1678	
Net adjustments	-3	-%	-1	
Total	\$963	100%	7625	168,911

notes: - excludes county emergency shelter and contract emergency shelter costs.
 - justified FTE and caseload calculated from workload/FTE factors x %costs

Table 4.

TOTAL FY 99/00 CWS BUDGET ALLOCATIONS

(\$ in millions)

		%
CWS Basic Budget	\$963	66
	372	26
Direct Reimbursement Budget		
Adoptions Program	67	5
Child Abuse Prevention	31	2
Community Care Licensing	15	1
Total Child Welfare Service Budget	<u>\$1,448</u>	100
Adult Protective Services provided by CDSS	153	
Adjustments		
Total CWS	<u>\$1,601</u>	

Table 5

COUNTIES BY CWS BUDGET SIZE

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GROUP		CWS FY 99/00 Basic Budget	Justified CWS Social Workers (FTE)*
LARGE COUNTIES		(7)	
1	Los Angeles	\$317,742,068	2,789
2	San Diego	\$65,308,756	615
3	Orange	\$61,398,597	369
4	Sacramento	\$49,989,122	449
5	Santa Clara	\$48,646,366	233
6	Riverside	\$42,299,155	318
7	San Bernardino	\$40,099,921	409
MEDIUM COUNTIES		(31)	
1	Alameda	\$31,869,155	227
2	San Francisco	\$28,450,492	121
3	Fresno	\$21,680,163	245
4	Contra Costa	\$21,541,204	153
5	Kern	\$20,537,403	222
6	San Mateo	\$14,276,273	66
7	San Joaquin	\$11,496,597	98
8	Ventura	\$10,697,618	76
9	Sonoma	\$10,192,078	76
10	Stanislaus	\$8,572,571	81
11	Placer	\$8,060,860	56
12	Butte	\$7,941,151	82
13	Tulare	\$7,837,208	103
14	Santa Barbara	\$5,953,848	46
15	Monterey	\$5,928,114	45
16	Mendocino	\$5,221,894	42
17	Solano	\$5,212,229	37
18	Merced	\$5,051,174	57
19	Santa Cruz	\$5,039,950	40
20	San Luis Obispo	\$4,866,065	46
21	Humboldt	\$4,052,526	33
22	Shasta	\$3,936,159	53
23	Marin	\$3,126,050	25
24	Yuba	\$2,954,836	37
25	Imperial	\$2,519,841	26
26	Yolo	\$2,441,749	35
27	El Dorado	\$2,305,489	24
28	Sutter	\$1,922,281	27
29	Napa	\$1,824,748	12
30	Kings	\$1,695,788	31
31	Madera	\$1,379,519	23
Small Counties		(17)	
1	Siskiyou	\$1,032,114	13
2	Nevada	\$975,800	14

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3	Tehama	\$945,968	17
4	Toulumne	\$859,089	12
5	Glenn	\$848,073	11
6	Lassen	\$847,202	12
7	Lake	\$706,659	17
8	Calaveras	\$689,464	10
9	San Benito	\$652,817	10
10	Inyo	\$594,646	5
11	Del Norte	\$568,139	9
12	Trinity	\$453,496	6
13	Mariposa	\$433,001	6
14	Plumas	\$422,250	6
15	Colusa	\$394,064	5
16	Amador	\$302,767	4
17	Modoc	\$258,761	3
Very Small Counties (3)			
1	Alpine	\$156,543	3
2	Sierra	\$136,774	2
3	Mono	\$124,487	2

* Rounded to nearest whole number.

Table 6

Average Monthly Case Cost FY99/00

	Total \$ in Millions	Avg Monthly Cases	Avg Mo. Case Cost
Emergency Response	\$335	42,170	\$662
Family Maintenance	\$118	32,025	\$307
Family Reunification	\$153	32,940	\$387
Permanent Placement	\$147	61,776	\$198
Average Case Cost	\$753	168,911	\$371
Emergency Assistance	\$212	539,960	\$33
Adjustments	(\$3)		
Total	\$962		

Table7 . FY 99/00 Funding for CWS Basic Allocations
(\$ in millions)

Federal Funding Sources		<u>%</u>
Title IV-B	\$ 35	
Title XIX	29	
Title IV-E	260	
EA (TANF)	<u>132</u>	
Total Federal Funding	\$ 477	49%
State General Funds	340	35
County Matching Funds	<u>160</u>	<u>16</u>
Total	\$ 978	100%